

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	
)	Order No. D04-115
SPOKANE UNITED)	
METHODIST HOMES,)	Consent Order
)	Imposing a Fine
An Entity Holding a Certificate)	
Of Exemption)	
_____)	_____

Facts:

1. Spokane United Methodist Homes ("SUMH") holds a certificate of exemption pursuant to RCW 48.38.101. That certificate authorizes SUMH to issue charitable gift annuities, subject to certain restrictions in Chapter 48.38 RCW.
2. According to the Audited Financial Statement which SUMH filed with the OIC on May 3, 2003, SUMH then had only \$468,000 in unrestricted net assets, less than the \$500,000 required by RCW 48.38.010(6).

Conclusions of Law:

1. Allowing its unrestricted net assets to go below \$500,000 was a violation of RCW 48.38.010(6).
2. RCW 48.38.050(2) provides that after hearing or with the consent of the insurer or institution, the Insurance Commissioner may, in lieu of or in addition to suspending, revoking, or refusing to renew a certificate of exemption, levy a fine upon the insurer or institution.

Consent to Order:

Spokane United Methodist Homes consents to the entry of this order and to the imposition of a fine in the amount of \$2,500 dollars (two thousand five hundred dollars and no/100).

1. SUMH will pay the fine in full within thirty days from the entry of this order.
2. Failure to pay the \$2500 in full within thirty days of the entry of this order will constitute grounds for the suspension or revocation of the certificate of exemption held by SUMH in the State of Washington. It will also result in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, to recover the full amount of the fine.

SPOKANE UNITED METHODIST HOMES

Printed Name _____

Printed Corporate Title _____

Date Signed _____

Order:

Pursuant to RCW 48.38.050, the Insurance Commissioner imposes a fine upon Spokane United Methodist Homes in the amount of \$2,500 (two thousand five hundred dollars and no/100).

SUMH must pay the fine in full within thirty days of the entry of this consent order. Failure to pay the fine timely and in full will constitute grounds for the suspension or revocation of the certificate of exemption held by SUMH. It will also result in a civil action being brought by the Washington State Attorney General on behalf of the Insurance Commissioner, to collect the fine.

ENTERED AT TUMWATER, WASHINGTON, this ____ day of _____, 2004.

MIKE KREIDLER
Insurance Commissioner

By _____
William Kirby
Legal Affairs Division